

Military Personnel Instructions

- *Taxation of military compensation and benefits*
- *Nonresident military personnel with Utah non-military income*
- *Filing requirements and deadlines*



Utah State Tax Commission

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Salt Lake City, Utah 84134
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tax.utah.gov

If you need an accommodation under the Americans with Disabilities Act, contact the Tax Commission at 801-297-3811, or TDD 801-297-2020. Please allow three working days for a response.

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General Information

Federal tax laws provide special benefits for active members of the U.S. Armed Forces, including those serving in combat zones.

For federal tax purposes, the U.S. Armed Forces includes commissioned officers, warrant officers, and enlisted personnel in all regular and reserve units under control of the Secretaries of Defense, Army, Navy and Air Force. The U.S. Armed Forces also includes the Coast Guard. It does not include members of the U.S. Merchant Marine or the American Red Cross.

National Guard members who are called to active service by the President of the United States or the Secretary of Defense for a period of more than 30 consecutive days in response to a national emergency declared by the President and supported by federal funds are also qualified for these benefits.

See IRS Publication 3, *Armed Forces' Tax Guide*, on the IRS web site at www.irs.gov/publications/index.html for additional federal tax information regarding members of the U.S. Armed Forces, including tables of items included and excluded from federal income.

Utah Treatment

Utah treats military pay and allowances of a resident military taxpayer the same as the IRS. If income is included in federal adjusted gross income, it is automatically included in Utah income. Conversely, if income is excluded from federal taxation, it is also excluded for Utah purposes.

A special calculation is required for a Utah nonresident military member (or their nonresident spouse if filing a joint Utah return). See *Nonresident Military Personnel with Utah Non-military Income* on page 2.

For tax years beginning on or after Jan. 1, 2010, Utah allows a nonrefundable tax credit for the tax liability attributable to the income of a military service member who is killed in or as a result of serving in a combat zone. See further details on page 3.

Residency Issues

A military member's domicile (home of record) does not change when they are stationed in another state on military orders. This also applies to the nonresident spouse of an active duty military service member who is in Utah solely to be with the service member in compliance with military orders.

Utah Resident or Nonresident

Utah residents who enter military service do not lose their Utah residency solely by being absent from Utah due to military orders. Likewise, residents of other states who are in Utah solely due to military orders are considered nonresidents of Utah while stationed in Utah.

A Utah resident is required to file a Utah income tax return and report all income received regardless of the source of that income, unless specifically exempted. If income tax is paid to another state on non-military income earned in that state, a credit for the tax paid to the other state may be allowed on the Utah return. (See Utah form TC-40S.)

Military pay of a nonresident who is stationed in Utah solely due to military orders is not subject to Utah income tax. However, nonresident military personnel who earn income from Utah sources – other than active duty military service pay – must file a Utah return and pay any Utah tax due on the non-military Utah source income.

The income of a spouse who is in Utah solely to be with a service member in compliance with the service member's military orders, is also excluded from Utah income tax if both the service member and the spouse had the same domicile prior to coming to Utah. Such income is included in federal adjusted gross income but subtracted when computing Utah taxable income.

What Income is Taxable in Utah to a Nonresident Military Member

Active duty military pay received by a nonresident military service member is exempt from Utah tax. This income, if included in federal adjusted gross income, must be subtracted on the Utah return. Enter this subtraction on TC-40A, Part 2, using code 82.

A nonresident military member stationed in Utah solely due to military orders must pay Utah income tax on:

- Any income earned from Utah sources by the military member, other than active duty military pay; and
- Any passive income received while in Utah (such as rental income, investment income, gain on the sale of property, and other non-earned income).

What Income is Taxable in Utah to a Nonresident Non-military Spouse

If the service member and the spouse had the same domicile prior to the service member coming to Utah under military orders, the domicile of the spouse accompanying the service member does not change.

Beginning with the 2009 tax year, if a spouse is not domiciled in Utah and is in Utah to be with a nonresident military service member in compliance with military orders, all income of the spouse is exempt from Utah income tax. This income, if included in federal adjusted gross income, must be subtracted on the Utah return. Enter this subtraction on TC-40A, Part 2, using code 88.

This income must also be excluded from the Utah income shown on TC-40B, Column A, if filing a nonresident return.

How a Nonresident Non-military Spouse Claims Exemption on Form W-4

If the nonresident non-military spouse of a service member qualifies for the exclusion of income from Utah tax and is paid as an employee, the spouse should give their employer a federal Form W-4, *Employee's Withholding Allowance Certificate*, with the following changes to stop the withholding of Utah tax:

- Mark **"Utah Copy"** at the top of Form W-4, and
- Write the words **"Utah Exempt"** in box 7.

The employer should not withhold any Utah income tax on wages paid to the spouse.

When One Spouse is a Resident and the Other a Nonresident

When one spouse is a full-year Utah resident and the other is a full-year nonresident, they may file their Utah returns using the special calculation outlined under *Nonresident Married Military Personnel Calculation* on page 3. If either spouse is a part-year resident, the couple cannot file using this special calculation.

The following procedures should be used when one spouse is a full-year resident and the other spouse is a nonresident and they elect to file using the special calculation:

1. If you file separate federal returns, you must file separate Utah returns.
2. If you file a joint federal return, you may choose to file either:
 - a. A joint Utah return – you must include all income of both spouses as reported on your federal return; or
 - b. Separate returns for Utah if using the special calculation. (See *Nonresident Married Military Personnel Calculation* on page 3 for instructions.)

Death Gratuity Tax Treatment

Any death gratuity paid to a survivor of a member of the Armed Forces is nontaxable.

Nonresident Military Personnel with Utah Non-military Income

A special calculation must be made to compute the Utah income tax on a qualified nonresident military member's non-military Utah income (income from non-military Utah employment). The following instructions and examples on pages 4 and 5 show how to do this calculation.

Federal Law

Federal law prohibits states from considering the military income of a nonresident service member when determining the individual income tax for either the service member or the service member's spouse on a joint return.

To ensure nonresident military service members receive the benefit of this provision of the law, nonresident active duty military service members (or their spouse if filing a joint return) stationed in Utah who have Utah income from sources other than military pay may use these special instructions to calculate their Utah tax.

Nonresident Single Military Personnel Calculation

Nonresident military personnel who are not married should follow the line-by-line instructions for completing the TC-40, with the following modifications:

1. Deduct any active duty military pay that was included in your federal adjusted gross income as a "Subtraction from Income" on your Utah TC-40A, Part 2. Use **code "82"** for this subtraction.
2. Complete your Utah return through line 24.
3. Calculate the Utah tax for line 25 by completing TC-40B, *Non or Part-year Resident Utah Schedule*.
 - a. On the TC-40B, Column A, do **not** include any excluded military income as this income is not taxable in Utah. (The deduction of the excluded military income, as subtracted on TC-40A, Part 2, code 82, is included in the total subtractions entered in column B, line 32.)
 - b. Use the totals from TC-40B, line 34 to calculate the Utah ratio on line 35 by dividing line 34, column A by line 34, column B. Calculate this ratio to four decimal places.
 - c. Enter on TC-40B, line 36 the tax amount shown on TC-40, line 24.
 - d. Multiply the tax entered on line 36 by the ratio (decimal) on line 35 and enter the result on line 37. This is your Utah tax. Enter this tax on TC-40, line 25.
4. Complete the remainder of the Utah return per TC-40 instructions. (See the example on page 4.)

Nonresident Married Military Personnel Calculation

Nonresident military personnel who are married should follow the line-by-line instructions for completing the TC-40, with the following modifications:

1. Deduct any active duty military pay that was included in your federal adjusted gross income as a "Subtraction from Income" on your Utah TC-40A, Part 2. Use **code "82"** for this subtraction.
2. If the nonresident non-military spouse had the same domicile as the service member before moving to Utah, deduct any Utah income of the spouse as a "Subtraction from Income" on your Utah TC-40A, Part 2. Use **code "88"** for this subtraction.
3. Complete your Utah return through line 24.
4. Calculate the Utah tax for line 25 by completing TC-40B, *Non or Part-year Resident Utah Schedule*.
 - a. On the TC-40B, column A, do **not** include any excluded military income as this income is not taxable in Utah. (The deduction of the excluded military income, as subtracted on TC-40A, Part 2, code 82, is included in the total subtractions entered in column B, line 32.)
 - b. Do not include the nonresident military spouse's income in column A when making Utah entries, if excluded under "2" above.
 - c. Use the totals from TC-40B, line 34 to calculate the ratio on line 35 by dividing line 34, column A by line 34, column B. Calculate this ratio to four decimal places.
 - d. Enter on TC-40B, line 36 the tax amount shown on TC-40, line 24.

- e. Multiply the tax entered on line 36 by the ratio (decimal) on line 35 and enter the result on line 37. This is your Utah tax. Enter this tax on TC-40, line 25.

5. Complete the remainder of the Utah return per TC-40 instructions. (See the example on page 5.)

Note: If one spouse is a full-year Utah resident and the other is a full-year nonresident they may elect to use the *Special Instructions for Married Couples* in Tax Commission Publication 49. If you qualify to use these Special Instructions, you should make the adjustment in step 4-a above to the separate return if it is for a nonresident active duty military service member, then follow the calculation instructions in Publication 49. If the non-military spouse is a Utah resident, you cannot exclude the spouse's income from Utah tax. Calculate your tax under both the Special Instructions and steps 1 through 5 above to see which results in the lowest tax liability.

Utah Combat Related Death Tax Credit

For tax years beginning on or after Jan. 1, 2010, a military service member who dies as a result of military service in a combat zone may claim a nonrefundable tax credit equal to their tax liability in the year of death.

To qualify for the credit, all of the following conditions must be met:

1. The military service member must have been in an active or reserve component of the United States Army, Navy, Air Force, Marine Corps, or Coast Guard;
2. The combat related death must have occurred on or after Jan. 1, 2010;
3. The death must have occurred while the military service member was serving in a combat zone, or be the result of a wound, disease, or injury incurred while serving in a combat zone; and
4. The service must have been on or after the date declared by the President of the United States by Executive Order as a combat zone, and on or before such designation is terminated by the President.

If the filing status on the return is single, head of household or married filing separately, the credit is equal to the tax liability shown on line 22. Enter this amount on TC-40A, Part 4, using code 25

If the return is filed as married filing jointly (deceased service member and spouse), calculate the credit as follows:

Calculation of Combat Related Death Credit for Joint Return

1. Adjusted gross income on joint federal return \$ _____
2. Federal adjusted gross income of deceased military member \$ _____
3. Allocation percentage – divide line 2 by line 1 ____ _
4. Amount of tax liability from TC-40, line 22 \$ _____
5. Combat Related Death Credit – multiply line 4 by line 3 \$ _____

Enter this amount on TC-40A, Part 4, using code 25.

Note: You may use a different method of allocating the tax liability if that method more accurately reflects the deceased service member's tax liability.

Filing Returns

Where to File

Mail or deliver your completed Utah individual income tax return to the address below:

Refund Return

Utah State Tax Commission
210 N 1950 W
Salt Lake City, UT 84134-0260

All Other Returns (including payments)

Utah State Tax Commission
210 N 1950 W
Salt Lake City, UT 84134-0266

When to File

You must file your 2011 Utah return and pay any income tax due:

- By April 17, 2012, if you file on a calendar year basis (tax year ends Dec. 31, 2011); or
- By the 15th day of the fourth month following the close of the fiscal year, if you file on a fiscal year basis.

All Utah income taxes for the year 2011 must be paid by the due date. If your return is not filed on time, you may be subject to penalties and interest. However, see the following extension instructions.

Extensions

You are automatically allowed an extension of up to six months to file your Utah return. Utah does not have an extension form. However, there is NO extension of time to pay your taxes – only an extension of time to file your Utah tax return. All extension returns must be filed by Oct. 15, 2012. (See exception for military personnel below.)

A Utah resident in the military and stationed outside the United States will be granted a waiver of penalty for late filing if the return is filed on or before the 15th day of the fourth month after the taxpayer's return to the United States or discharge date, whichever is earlier. Interest is still due on any unpaid amounts from the original due date until the tax is paid. For information on combat zone relief, check our website at tax.utah.gov/armedforces.html.

Service that Qualifies for an Extension of Deadline

Military personnel serving in a combat zone are eligible to have collection or audit actions suspended up to 180 days after leaving the zone.

Taxpayers qualifying for such combat zone relief may notify the Tax Commission directly of their status through a special e-mail address: combatzone@utah.gov. They should provide their name, stateside address, date of birth, and date of deployment to the combat zone. The taxpayer, spouse, or an authorized agent or representative may make this notification.

The Tax Commission cannot provide tax account information by e-mail. Therefore, we will send responses within two business days to any questions by regular mail to the address we have on record. We may provide general answers to questions regarding the status of individual combat zone updates via e-mail.

Signing Returns

You, and your spouse if filing a joint return, must sign the return. You may also authorize someone to sign for you by granting a power of attorney.

Utah rules relating to filing a return for a military spouse who is serving overseas, serving in a combat zone, serving in a qualified hazardous duty area, is in missing status, is incapacitated, or who died during the year follow the federal rules. See IRS Publication 3 for details.

Where to Get Help

If you have additional questions regarding the Utah treatment of military personnel, please contact us at the address or telephone numbers below.

Utah State Tax Commission
210 N 1950 W
Salt Lake City UT 84134

801-297-7705 in the Salt Lake area, or

800-662-4335, extension 7705 if calling from outside the Salt Lake area.

You may submit your questions by fax at 801-297-6357, or you may email us at taxmaster@utah.gov.

You can also obtain information on federal tax treatment at:

- Soldiers' and Sailors' Civil Relief Act of 1940, United States Code, Title 50, Section 573.
- Utah Service Members' Civil Relief Act, Utah Code, Title 39, Chapter 7.

Examples

Example for Nonresident Single Military Personnel

James is a single nonresident taxpayer in active duty military service stationed in Utah. In addition to his active duty military pay of \$18,000, James has non-military pay from a Utah part-time job of an additional \$15,600. James is required to file a Utah return. His Utah return is calculated as follows:

The following references are to lines on form TC-40:

1. Filing Status = SINGLE	
2. Exemptions = 1	
3. N/A	
4. Adjusted gross income from federal return	\$33,600
5. Additions to income from TC-40A, Part 1	0
6. Add lines 4 and 5	33,600
7. State tax refund included on federal form 1040, line 10	0
8. Subtractions from income from TC-40A, Part 2 – Nonresident active duty military pay, code 82	(18,000)
9. Utah taxable income – subtract lines 7 and 8 from line 6	15,600
10. Utah tax - line 9 multiplied by 5%	780
11. Personal exemption amount for Utah	2,775 *
12. Federal standard or itemized deductions	5,800
13. Add line 11 and line 12	8,575
14. State income tax deducted on federal Schedule A, line 5	0
15. Subtract line 14 from line 13	8,575
16. Initial taxpayer tax credit - multiply line 15 by 6%	515
17. Base phase-out amount	12,720
18. Subtract line 17 from line 9	2,880
19. Multiply line 18 by 1.3%	37
20. Taxpayer tax credit - subtract line 19 from line 16	478
21. N/A	
22. Utah income tax - subtract line 20 from line 10 (also enter on TC-40B, line 34)	302
23. Apportionable nonrefundable credits	0
24. Net Utah tax	302

The following references are to lines on form TC-40B:

	<u>Col. A</u>	<u>Col. B</u>
17. Utah total income (column A)	15,600	
Total income (column B)		33,600
32 & 33. Utah subtractions from income (column A)	0	
Total subtractions from income (column B)		18,000
This is the nonresident active duty military pay from TC-40A, Part 2, code 82		
34. Utah income (column A – line 17 less line 33)	15,600	
Total income (column B – line 17 less line 33)		15,600
35. Ratio – line 34, column A divided by line 34, column B		1.0000
36. Utah tax from TC-40, line 24		302
37. Nonresident Utah tax - line 36 multiplied by ratio on line 35		302
This is the Utah tax to be entered on TC-40, line 25.		

* Utah exemption amount for 2011 is \$2,775 (75% of federal exemption of \$3,700).

See the Utah Individual Income Tax Return on pages 7 through 9

Example for Nonresident Married Military Personnel and Spouse

Terry is a married active duty military member whose military home of record is Colorado. He was transferred to Utah's Hill Air Force Base in March of 2011. He and his wife had adjusted gross income on their federal return of \$66,800. Terry had active duty military pay of \$24,875 and non-military pay from a Utah part-time job of \$25,825. His spouse (who had the same domicile as Terry before moving to Utah to be with Terry) had non-military income of \$4,700 from her previous employment in Colorado and \$9,950 from her non-military job in Utah, plus \$1,200 of interest earned from their bank in Colorado (each owns one-half). They also receive a taxable refund from the IRS of \$250. They are required to file a joint Utah return. Their joint Utah return is calculated as follows:

The following references are to lines on form TC-40:

1. Filing Status = MARRIED FILING JOINTLY	
2. Exemptions = 2	
3. N/A	
4. Adjusted gross income from federal return	\$66,800
5. Additions to income from TC-40A, Part 1	0
6. Add lines 4 and 5	66,800
7. State tax refund included on federal form 1040, line 10	(250)
8. Subtractions from income from TC-40A, Part 2 –	
Nonresident active duty military pay, code 82	24,875
Nonresident military spouse total income, code 88 (4,700 + 9,950 + 600)	15,250
Total deductions from TC-40A, Part 2	(40,125)
9. Utah taxable income – subtract lines 7 and 8 from line 6	26,425
10. Utah tax - line 9 multiplied by 5%	1,321
11. Personal exemption amount for Utah	5,550 *
12. Federal standard or itemized deductions	11,600
13. Add line 11 and line 12	17,150
14. State income tax deducted on federal Schedule A, line 5	0
15. Subtract line 14 from line 13	17,150
16. Initial taxpayer tax credit - multiply line 15 by 6%	1,029
17. Base phase-out amount	25,440
18. Subtract line 17 from line 9	985
19. Multiply line 18 by 1.3%	13
20. Taxpayer tax credit - subtract line 19 from line 16	1,016
21. N/A	
22. Utah income tax - subtract line 20 from line 10 (also enter on TC-40B, line 34)	305
23. Apportionable nonrefundable credits	0
24. Net Utah tax	305

The following references are to lines on form TC-40B:

	Col. A	Col. B
17. Utah total income (column A)	35,775	
Total income (column B)		66,800
32 & 33. Utah subtractions from income (column A – spouse Utah income)		9,950
Total subtractions from income (column B) – total of lines 7 and 8 above		40,375
34. Utah income (column A – line 17 less line 33)	25,825 **	
Total income (column B – line 17 less line 33)		26,425
35. Ratio – line 34, column A divided by line 34, column B		.9773
36. Utah tax from TC-40, line 24		305
37. Nonresident Utah tax - line 36 multiplied by ratio on line 35		298
This is the Utah tax to be entered on TC-40, line 25.		

* Utah exemption amount for 2011 is \$2,775 (75% of federal exemption of \$3,700).

** Only the military service member's non-military Utah income is taxable. The nonresident military spouse's Utah income is not taxable in Utah nor is the out-of-state interest income taxable in Utah.

See the Utah Individual Income Tax Return on pages 10 through 12

40101

9999

Utah Individual Income Tax Return

All State Income Tax Dollars Fund Education

2011
TC-40

Fiscal year end month/year (mm/yy) - /

Form 8886 filed

Amended Return - enter code

Your Soc. Sec. No.

X if deceased

Spouse's SSN

JAMES

**EXAMPLE FOR NONRESIDENT
SINGLE MILITARY PERSONNEL**

1 Filing Status - enter code	2 Exemptions - enter number	3 Election Campaign Fund - enter code
1 = Single • 1 2 = Married filing jointly 3 = Married filing separately 4 = Head of household 5 = Qualifying widow(er)	a 1 Yourself b Spouse c Dependents d 1 Total exemptions (add a through c) <div style="display: inline-block; vertical-align: middle; font-size: 2em;">}</div> from federal return	C = Constitution Yourself Spouse D = Democratic • • L = Libertarian R = Republican N = No contribution Does not increase tax or reduce refund
4 Federal adjusted gross income from federal return	• 4	3 3 6 0 0 .
5 Additions to income from TC-40A, Part 1 (attach TC-40A, page 1)	• 5	.
6 Total income - add lines 4 and 5	6	3 3 6 0 0 .
7 State tax refund included on federal form 1040, line 10	• 7	.
8 Subtractions from income from TC-40A, Part 2 (attach TC-40A, page 1)	• 8	1 8 0 0 0 .
9 Utah taxable income (loss) - subtract the total of lines 7 and 8 from line 6	• 9	1 5 6 0 0 .
10 Utah tax - multiply line 9 by 5% (.05) (not less than zero)	• 10	7 8 0 .
11 Exemptions - multiply line 2d by \$2,775	• 11	2 7 7 5 .
12 Enter your federal standard or itemized deductions	• 12	5 8 0 0 .
13 Add lines 11 and 12	13	8 5 7 5 .
14 State income tax deducted on federal Schedule A, line 5 (see instr.)	• 14	.
15 Subtract line 14 from line 13	15	8 5 7 5 .
16 Multiply line 15 by 6% (.06)	• 16	5 1 5 .
17 Enter amount based on filing status: if line 1 equals 1 or 3, enter \$12,720; if line 1 equals 4, enter \$19,080; if line 1 equals 2 or 5, enter \$25,440	• 17	1 2 7 2 0 .
18 Subtract line 17 from line 9 (not less than zero)	18	2 8 8 0 .
19 Multiply line 18 by 1.3% (.013)	• 19	3 7 .
20 Taxpayer tax credit - subtract line 19 from line 16 (not less than zero)	• 20	4 7 8 .
21 If you are a qualified exempt taxpayer, enter "X" (complete worksheet)	• 21	.
22 Utah income tax - subtract line 20 from line 10 (not less than zero)	• 22	3 0 2 .
23 Apportionable nonrefundable credits from TC-40A, Part 3 (attach TC-40A, page 1)	• 23	.
24 Subtract line 23 from line 22 (not less than zero)	24	3 0 2 .

Non or Part-Year Residents, complete TC-40B before continuing on page 2

Filing electronically is quick, easy and free, and will speed up your refund.

To learn more, go to taxexpress.utah.gov

**NONRESIDENT SINGLE
MILITARY PERSONNEL**

Part 1 - Additions to Income (write the code and amount of each addition to income)

<u>Code</u>		<u>Code</u>		
5 1	Lump sum distribution	5 6	Child's income excluded from parent's return	.
5 3	Medical Savings Account (MSA) addback *	5 7	Municipal bond interest	.
5 4	Utah Educational Savings Plan (UESP) addback *	6 0	Untaxed income of a resident trust	.
5 5	Reimbursed adoption expenses *	6 1	Untaxed income of a nonresident trust	.
		6 9	Equitable adjustments	.
	* to the extent previously deducted or credited on Utah return			.
				.
Total additions to income (add all additions to income and enter total here and on TC-40, line 5)				.

Part 2 - Subtractions from Income (write the code and amount of each subtraction from income)

<u>Code</u>		<u>Code</u>		
7 1	Interest from U.S. Government Obligations	7 8	Railroad retirement income	• 82 18000 .
7 7	Native American income: Tribe	7 9	Equitable adjustments	.
	Enrollment Number Code	8 2	Nonresident active duty military pay	.
	Your •	8 5	State tax refund distributed to beneficiary	.
	Spouse's •	8 8	Nonresident military spouse income	.
				.
Total subtractions from income (add all subtractions from income and enter total here and on TC-40, line 8)				18000 .

Part 3 - Apportionable Nonrefundable Credits (write the code and amount of each credit)

<u>Code</u>		<u>Code</u>		
0 4	Capital gain transactions credit	2 2	Medical Care Savings Account (MSA) credit	.
1 8	Retirement tax credit (attach TC-40C)	2 3	Health benefit plan credit	.
2 0	Utah Educational Savings Plan (UESP) credit	2 4	Qualifying solar project credit	.
				.
				.
				.
Total apportionable nonrefundable credits (add all Part 3 credits and enter total here and on TC-40, line 23)				.

Part 4 - Nonapportionable Nonrefundable Credits (write the code and amount of each credit)

<u>Code</u>		<u>Code</u>		
0 1	At-home parent credit	1 0	Recycling market dev. zone credit	.
0 2	Qualified sheltered workshop credit - name:	1 2	Research activities credit	.
		1 3	Carryover of mach./equip. research credit	.
0 5	Clean fuel vehicle credit	1 7	Tax paid to another state (attach TC-40S)	.
0 6	Historic preservation credit	1 9	Live organ donation expenses credit	.
0 7	Enterprise zone credit	2 1	Renewable residential energy systems credit	.
0 8	Low-income housing credit	2 5	Combat related death credit	.
				.
Total nonapportionable nonrefundable credits (add all Part 4 credits and enter total here and on TC-40, line 26)				.

Submit this page ONLY if data entered.

Attach completed schedule to your 2011 Utah Income Tax return.

Residency Status:

**NONRESIDENT SINGLE
MILITARY PERSONNEL**

• ☒ Nonresident. Home state abbreviation: **XX** • Part-year resident from: / / to / /
mm dd yy mm dd yy

Income		Col. A - UTAH	Col. B - TOTAL
1	Wages, salaries, tips, etc. (1040/1040A line 7, 1040EZ line 1)	15600 .	33600 .
2	Taxable interest income (1040/1040A line 8a, 1040EZ line 2)	.	.
3	Ordinary dividends (1040/1040A line 9a)	.	.
4	Taxable refunds, credits, or offsets of state and local income taxes (1040 line 10)	.	.
5	Alimony received (1040 line 11)	.	.
6	Business income or (loss) (1040 line 12)	.	.
7	Capital gain or (loss) (1040 line 13, 1040A line 10)	.	.
8	Other gains or (losses) (1040 line 14)	.	.
9	IRA distributions - taxable amount (1040 line 15b, 1040A line 11b)	.	.
10	Pensions and annuities - taxable amount (1040 line 16b, 1040A line 12b)	.	.
11	Rental real estate, royalties, partnerships, S corporations, trusts, etc. (1040 line 17)	.	.
12	Farm income or (loss) (1040 line 18)	.	.
13	Unemployment compensation (1040 line 19, 1040A line 13, 1040EZ line 3)	.	.
14	Social Security benefits - taxable amount (1040 line 20b, 1040A line 14b)	.	.
15	Other income (1040 line 21)	.	.
16	Additions to income from TC-40A, Part 1 (Utah portion only in Utah column)	.	.
		-----	-----
17	Total income - add lines 1 through 16 for both columns A and B	15600 .	33600 .

Adjustments		Col. A - UTAH	Col. B - TOTAL
18	Educator expenses - (1040 line 23, 1040A line 16)	.	.
19	Certain business expenses (1040 line 24)	.	.
20	Health savings account deduction (1040 line 25)	.	.
21	Moving expenses (1040 line 26; enter in col. A only expenses moving into Utah)	.	.
22	One-half of self-employment tax (1040 line 27)	.	.
23	Self-employed SEP, SIMPLE and qualified plans (1040 line 28)	.	.
24	Self-employed health insurance deduction (1040 line 29)	.	.
25	Penalty on early withdrawal of savings (1040 line 30)	.	.
26	Alimony paid (1040 line 31a)	.	.
27	IRA deduction (1040 line 32, 1040A line 17)	.	.
28	Student loan interest deduction (1040 line 33, 1040A line 18)	.	.
29	Tuition and fees - (1040 line 34, 1040A line 19)	.	.
30	Domestic production activities deduction (1040 line 35)	.	.
31	State tax refund included on federal form 1040, line 10	.	.
32	Subtractions from income from TC-40A, Part 2 (Utah portion only in Utah column)	.	18000 .
		-----	-----
33	Total adjustments - add lines 18 through 32 for both columns A and B	0 .	18000 .

34	Subtract line 33 from line 17 for both columns A and B (not less than zero) Line 34, column B must equal TC-40, line 9	• 15600 .	• 15600 .
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Non or Part-year Resident Utah Tax

35	Divide line 34 column A by line 34 column B (to 4 decimal places). Do not enter a number greater than 1.0000.	35	1.0000
36	Enter tax amount from TC-40, line 24	36	302 .
37	Multiply line 36 by the decimal on line 35. This is your Utah tax. Enter on TC-40, page 2, line 25	• 37	302 .

Submit this page ONLY if data entered.
Attach completed schedule to your 2011 Utah Income Tax return

40101

9999

Utah Individual Income Tax Return

All State Income Tax Dollars Fund Education

2011
TC-40

Fiscal year end month/year (mm/yy) - /

Form 8886 filed

Amended Return - enter code

Your Soc. Sec. No.

X if deceased

Spouse's SSN

TERRY

WIFE

**EXAMPLE FOR NONRESIDENT
MARRIED MILITARY PERSONNEL
AND SPOUSE**

1 Filing Status - enter code	2 Exemptions - enter number	3 Election Campaign Fund - enter code
1 = Single	a 1 Yourself	C = Constitution Yourself Spouse
2 = Married filing jointly	b 1 Spouse	D = Democratic • •
3 = Married filing separately	c Dependents } from federal return	L = Libertarian
4 = Head of household	d 2 Total exemptions (add a through c)	R = Republican Does not increase tax or reduce refund
5 = Qualifying widow(er)		N = No contribution

4	Federal adjusted gross income from federal return	• 4	6 6 8 0 0 .
5	Additions to income from TC-40A, Part 1 (attach TC-40A, page 1)	• 5	.
6	Total income - add lines 4 and 5	6	6 6 8 0 0 .
7	State tax refund included on federal form 1040, line 10	• 7	2 5 0 .
8	Subtractions from income from TC-40A, Part 2 (attach TC-40A, page 1)	• 8	4 0 1 2 5 .
9	Utah taxable income (loss) - subtract the total of lines 7 and 8 from line 6	• 9	2 6 4 2 5 .
10	Utah tax - multiply line 9 by 5% (.05) (not less than zero)	• 10	1 3 2 1 .
11	Exemptions - multiply line 2d by \$2,775	• 11	5 5 5 0 .
12	Enter your federal standard or itemized deductions	• 12	1 1 6 0 0 .
13	Add lines 11 and 12	13	1 7 1 5 0 .
14	State income tax deducted on federal Schedule A, line 5 (see instr.)	• 14	.
15	Subtract line 14 from line 13	15	1 7 1 5 0 .
16	Multiply line 15 by 6% (.06)	• 16	1 0 2 9 .
17	Enter amount based on filing status: if line 1 equals 1 or 3, enter \$12,720; if line 1 equals 4, enter \$19,080; if line 1 equals 2 or 5, enter \$25,440	• 17	2 5 4 4 0 .
18	Subtract line 17 from line 9 (not less than zero)	18	9 8 5 .
19	Multiply line 18 by 1.3% (.013)	• 19	1 3 .
20	Taxpayer tax credit - subtract line 19 from line 16 (not less than zero)	• 20	1 0 1 6 .
21	If you are a qualified exempt taxpayer, enter "X" (complete worksheet)	• 21	
22	Utah income tax - subtract line 20 from line 10 (not less than zero)	• 22	3 0 5 .
23	Apportionable nonrefundable credits from TC-40A, Part 3 (attach TC-40A, page 1)	• 23	.
24	Subtract line 23 from line 22 (not less than zero)	24	3 0 5 .

Non or Part-Year Residents, complete TC-40B before continuing on page 2

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Income Tax Supplemental Schedule

40103 SSN

TC-40A
2011

Page 1

**NONRESIDENT MARRIED
MILITARY PERSONNEL AND SPOUSE****Part 1 - Additions to Income** (write the code and amount of each addition to income)

Code		Code			
5 1	Lump sum distribution	5 6	Child's income excluded from parent's return	•	.
5 3	Medical Savings Account (MSA) addback *	5 7	Municipal bond interest	•	.
5 4	Utah Educational Savings Plan (UESP) addback *	6 0	Untaxed income of a resident trust	•	.
5 5	Reimbursed adoption expenses *	6 1	Untaxed income of a nonresident trust	•	.
		6 9	Equitable adjustments	•	.
				•	.
				•	.
* to the extent previously deducted or credited on Utah return					
Total additions to income (add all additions to income and enter total here and on TC-40, line 5)					

Part 2 - Subtractions from Income (write the code and amount of each subtraction from income)

Code		Code			
7 1	Interest from U.S. Government Obligations	7 8	Railroad retirement income	• 8 2	2 4 8 7 5 .
7 7	Native American income: Tribe	7 9	Equitable adjustments		
	Enrollment Number Code	8 2	Nonresident active duty military pay	• 8 8	1 5 2 5 0 .
		8 5	State tax refund distributed to beneficiary		
	Your •	8 8	Nonresident military spouse income	•	.
	Spouse's •			•	.
				•	.
Total subtractions from income (add all subtractions from income and enter total here and on TC-40, line 8)					

Part 3 - Apportionable Nonrefundable Credits (write the code and amount of each credit)

Code		Code			
0 4	Capital gain transactions credit	2 2	Medical Care Savings Account (MSA) credit	•	.
1 8	Retirement tax credit (attach TC-40C)	2 3	Health benefit plan credit		
2 0	Utah Educational Savings Plan (UESP) credit	2 4	Qualifying solar project credit	•	.
				•	.
				•	.
				•	.
Total apportionable nonrefundable credits (add all Part 3 credits and enter total here and on TC-40, line 23)					

Part 4 - Nonapportionable Nonrefundable Credits (write the code and amount of each credit)

Code		Code			
0 1	At-home parent credit	1 0	Recycling market dev. zone credit	•	.
0 2	Qualified sheltered workshop credit - name:	1 2	Research activities credit		
		1 3	Carryover of mach./equip. research credit	•	.
0 5	Clean fuel vehicle credit	1 7	Tax paid to another state (attach TC-40S)		
0 6	Historic preservation credit	1 9	Live organ donation expenses credit	•	.
0 7	Enterprise zone credit	2 1	Renewable residential energy systems credit		
0 8	Low-income housing credit	2 5	Combat related death credit	•	.
				•	.
Total nonapportionable nonrefundable credits (add all Part 4 credits and enter total here and on TC-40, line 26)					

Submit this page ONLY if data entered.

Attach completed schedule to your 2011 Utah Income Tax return.

**NONRESIDENT MARRIED
MILITARY PERSONNEL AND SPOUSE**

Residency Status:

- **Nonresident.** Home state abbreviation:
- **X** **Part-year resident** from: **03 / 01 / 11** to **12 / 31 / 11**
mm dd yy mm dd yy

Income		Col. A - UTAH	Col. B - TOTAL
1	Wages, salaries, tips, etc. (1040/1040A line 7, 1040EZ line 1)	3 5 7 7 5 .	6 5 3 5 0 .
2	Taxable interest income (1040/1040A line 8a, 1040EZ line 2)	.	1 2 0 0 .
3	Ordinary dividends (1040/1040A line 9a)	.	.
4	Taxable refunds, credits, or offsets of state and local income taxes (1040 line 10)	.	2 5 0 .
5	Alimony received (1040 line 11)	.	.
6	Business income or (loss) (1040 line 12)	.	.
7	Capital gain or (loss) (1040 line 13, 1040A line 10)	.	.
8	Other gains or (losses) (1040 line 14)	.	.
9	IRA distributions - taxable amount (1040 line 15b, 1040A line 11b)	.	.
10	Pensions and annuities - taxable amount (1040 line 16b, 1040A line 12b)	.	.
11	Rental real estate, royalties, partnerships, S corporations, trusts, etc. (1040 line 17)	.	.
12	Farm income or (loss) (1040 line 18)	.	.
13	Unemployment compensation (1040 line 19, 1040A line 13, 1040EZ line 3)	.	.
14	Social Security benefits - taxable amount (1040 line 20b, 1040A line 14b)	.	.
15	Other income (1040 line 21)	.	.
16	Additions to income from TC-40A, Part 1 (Utah portion only in Utah column)	.	.
17	Total income - add lines 1 through 16 for both columns A and B	3 5 7 7 5 .	6 6 8 0 0 .

Adjustments		Col. A - UTAH	Col. B - TOTAL
18	Educator expenses - (1040 line 23, 1040A line 16)	.	.
19	Certain business expenses (1040 line 24)	.	.
20	Health savings account deduction (1040 line 25)	.	.
21	Moving expenses (1040 line 26; enter in col. A only expenses moving into Utah)	.	.
22	One-half of self-employment tax (1040 line 27)	.	.
23	Self-employed SEP, SIMPLE and qualified plans (1040 line 28)	.	.
24	Self-employed health insurance deduction (1040 line 29)	.	.
25	Penalty on early withdrawal of savings (1040 line 30)	.	.
26	Alimony paid (1040 line 31a)	.	.
27	IRA deduction (1040 line 32, 1040A line 17)	.	.
28	Student loan interest deduction (1040 line 33, 1040A line 18)	.	.
29	Tuition and fees - (1040 line 34, 1040A line 19)	.	.
30	Domestic production activities deduction (1040 line 35)	.	.
31	State tax refund included on federal form 1040, line 10	.	2 5 0 .
32	Subtractions from income from TC-40A, Part 2 (Utah portion only in Utah column)	9 9 5 0 .	4 0 1 2 5 .
33	Total adjustments - add lines 18 through 32 for both columns A and B	9 9 5 0 .	4 0 3 7 5 .

34	Subtract line 33 from line 17 for both columns A and B (not less than zero) Line 34, column B must equal TC-40, line 9	2 5 8 2 5 .	2 6 4 2 5 .
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Non or Part-year Resident Utah Tax

35	Divide line 34 column A by line 34 column B (to 4 decimal places). Do not enter a number greater than 1.0000.	3 5	. 9 7 7 3
36	Enter tax amount from TC-40, line 24	3 6	3 0 5 .
37	Multiply line 36 by the decimal on line 35. This is your Utah tax. Enter on TC-40, page 2, line 25	• 3 7	2 9 8 .

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